



# PRESS RELEASE

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## For Immediate Release

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## Contact Person

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Assistant U.S. Attorney

Madison, Wisconsin -- Stephen P. Sinnott, United States Attorney for the Western District of Wisconsin, announced that Steven A. Douglas, 18523 West Country Court, Libertyville, Illinois, DOB: 03/26/1961, was sentenced today by U.S. District Judge Barbara B. Crabb to 33 months imprisonment for money laundering. Douglas pleaded guilty to this charge on July 18, 2005. In addition, Douglas paid a \$40,000 forfeiture as part of his sentence.

Steven Douglas owned and operated four check cashing business locations in Madison, Wisconsin named Madison's Cash Express (MCE). Using these check cashing businesses, Douglas directed a check kiting scheme involving US Bancorp (formerly Firststar Bank) and Traveler's Express/Wells Fargo. The scheme took place from at least January 2001 through September 2002. The kiting scheme was accomplished by an ever-increasing float for the purchase of money orders from Traveler's Express. The majority of the money orders were forged by MCE store employees. The MCE store employees used customer information obtained from the check cashing business to complete the purchaser section of the money orders. The forged money orders were then deposited into business bank accounts. A weekly Automated Clearing House wire transfer of the deposited money was made from these business accounts to Traveler's

Express in order to pay for the business' previous weeks purchase of money order.

From time to time Douglas transferred money from his business accounts into his personal accounts and then used the funds for personal expenses. Among other expenditures, on May 10, 2002, Douglas issued a check to the Internal Revenue Service in the amount of \$18,736.27 in order to pay his personal taxes. This payment formed the basis of the money laundering count to which Douglas pleaded guilty.

The charges against Douglas were the result of an investigation conducted by the Madison Police Department and the Internal Revenue Service. Prosecution of the case has been handled by Assistant U.S. Attorney Stephen Ehlke.

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